

Exhibit
6



**NORTH AMERICAN
SPECIALTY INSURANCE COMPANY**
650 Elm Street
Manchester, NH 03101-2524
(800) 542-9200

Policy Number:
DMIM0000003-01

From To
08/13/03 - 08/13/04
12:01 A.M. Standard Time at the
Address of the insured assigned here

Transaction

RENEWAL

Named Assured and Mailing Address		Producer	
Mary & Josephine Corp. 279 Western Avenue Gloucester, MA 01930		Producer Code: 20018-01 Ocean Marine Insurance Agency 334 Knight Street, Unit 134 Warwick, RI 02886 Telephone: (401) 732-5300	
Vessel: F/V Mary & Josephine			

COMMERCIAL FISHING VESSEL POLICY DECLARATIONS

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. This policy consists of the following coverage for which a premium is indicated. This premium may be subject to adjustment.

Coverage	Amount Insured/Rate	Premium
Hull & Machinery	\$400,000 Rate: 3.7188% Ded: \$5,000	\$ 14,875
Prot & Ind	\$250,000 Ded: \$1,500/5,000	\$ 9,625
Single Int Mortgage	\$99,489	\$ Included
War Risk Hull	\$400,000 CSL	\$ 200
War Risk P&I	\$250,000 CSL	\$ 240
No Claims Bonus	25%	\$ -3,718
Policy Premium		\$ 21,222



☐ FACULTATIVE

Navigation Territory: See Taylor Form SP-39C Line 173
Navigation Period: N/A

Conditions (per forms and endorsements attached):

Special Conditions	A.I. Hull War Risk	Named Insured	Pollution Exclusion	Endorsement
Taylor SP-39C	(12/01/77)	Endorsement	Exclusion of Certified	Acts of Terrorism
A.I.S.I.M.(07/01/63)	A.I.M.U P&I Clauses	Occupational Disease	NAS-TERR-009	(11/02)
F.P.A. Machinery	(06/02/83)	Exclusion		
Endorsement	A.H.I.S. War Risk	CL356A		
Loss of Earnings	P&I (01/18/70)	CL365		
Endorsement				

ALL CLAIMS MUST BE
REPORTED IMMEDIATELY
TO AVOID NULLIFYING
INSURANCE COVERAGE !!!

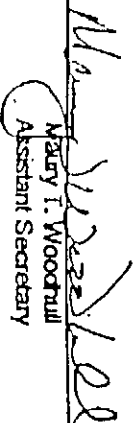
Loss Payee: See Taylor Form SP-39C Lines 7-9

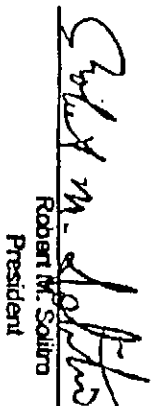
THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

Issuing Office: SMMI

Issued Date: 08/12/03

In Witness Whereof, the issuing Company has caused this policy to be signed offic


Mary I. Woodruff
Assistant Secretary


Robert M. Solino
President

NORTH AMERICAN
SPECIALTY INSURANCE COMPANY

NAS-POL-001 (09/01)

COVERAGES

ASSURED: Mary & Josephine Corp.

VESSEL: F/V MARY & JOSEPHINE

Coverage	Rate	Deductible	Premium
Hull	400,000	3,7138	5,000
P&I	250,000	1,500/5,000	14,875.00
War Hull	400,000 CSL		9,625.00
War Hull P&I	250,000 CSL		200.00
Bow	99,489		240.00
		No Claims Bonus	Included
			-3,718.00
Total			21,222.00

* A zero/blank amount in the Coverage column indicates no coverage under this policy.

In consideration of the premium above stated, Policy No. DMM00000003-01

Of North American Specialty Ins. Co.

Issued to Mary & Josephine Corp.

Whose address is 279 Western Avenue
Gloucester, MA 01930

Is renewed for the term of Noon August 13, 2003 to August 13, 2004
at the place of issuance, for the amount
as shown above. Subject to the terms
and the conditions as attached hereto.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

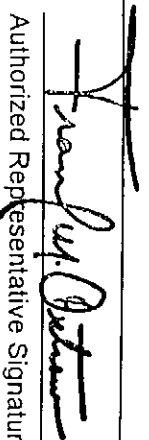
POLICY CHANGES

Policy Change
Number N/A

POLICY NUMBER	POLICY CHANGES EFFECTIVE	COMPANY
DMM0000003-01	08/13/03	North American Specialty Ins. Co.
NAMED INSURED		AUTHORIZED REPRESENTATIVE
Mary & Josephine Corp.	F/V Mary & Josephine	Ocean Marine Insurance Agency, Inc.
COVERAGE PARTS AFFECTED		
Section I & II		

CHANGES

The corporate named Assured and word Assured where used in this policy includes not only individuals endorsed thereon by name but also any Partner, Executive Officer, Director or Stockholder of such Assured as is now or may hereafter be considered.


Authorized Representative Signature

Special Conditions for Commercial Fishing Vessels

Assured: Mary & Josephine Corp.

F/V MARY & JOSEPHINE

These Special Conditions supercede any conflicting conditions found in any of the attached policies, clauses or endorsements.

- 1) **LOSS TO OR BY GEAR:** This policy shall not respond for any claim for loss, or damage to or expenses in connection with fishing trawling equipment (i.e. tackle, apparel, winches, masts and boom, rigging and their appurtenances) occurring while such equipment is actually being used in fishing or trawling operations and/or operations incidental thereto, unless the assured shall establish that such loss, damage or expense was caused solely by fire, lightning or explosion, or caused by the vessel herself stranding, sinking due to a peril insured against or in collision with any object other than the water.
- 2) **LEGAL OPERATIONS:** This insurance shall not cover charges, damages of loss in consequence of seizure, or detention for or account of any illicit or prohibited trade nor for entering nor for the consequence of entering prohibited fishing waters nor for violations of any port regulation not for any claims for wages, or provisions furnished to officers, or crew while the property insured hereunder may be detained as a result of any violation, seizure, detention or loss or disaster or during any subsequent salvage and/or repairs.
- 3) **CARGO EXCLUDED:** This insurance is warranted free from all claims of whatever nature in connection with cargo.
- 4) **GEAR ON SHORE:** It is understood and agreed that should any part of the vessel, her apparel, furniture, fixtures, equipment, boats, or gear be separated and laid up on shore during the period of this policy, including fishing gear and tackle laid up on shore during such time only as the vessel herself is laid up and out of commission, then this policy shall cover the same against risk of fire only for an amount not to exceed the proportion of 15% of the insured value of the vessel.
- 5) **FISHING VESSEL HULL AMENDMENT:** It is hereby understood and agreed Line 11 of the Taylor Form 1953(Rev. 70) is deleted and the following clause substituted in lieu thereof:
 - A. "Hull, tackle, apparel, equipment, stores on board, furniture, fixtures, fishing gear and tackle while on board and boats (including fishing gear and tackle therein while on board or attached to the davits of the fishing vessel)."
 - B. "Boilers, machinery, refrigerating machinery and insulation, winches, motor generators and other electrical machinery, and everything connected therewith."
 - C. "Cranes, windlasses and steering gear shall be deemed to be part of the Hull and not the Machinery."
- 6) **REPORTING:** The assured shall within forty-eight hours after arrival in port, report any loss or damage and shall give prompt notice thereof by telegraph and mail to the Broker of Record, Ocean Marine Insurance Agency Inc. 334 Knight St., Warwick, RI 02886 and in no event will any claim be admitted by this company unless such notice in writing has been presented within sixty days from the occurrence of same.
- 7) **CLAIMS CO-OPERATION:** The assured shall render every assistance to facilitate investigation or adjustment of claims or the effecting of settlements and to co-operate fully in the securing of evidence, the attendance of witnesses and the eliciting of information in defending such claims, including the prosecuting of appeals, it being understood that failure to comply fully with the provisions of this paragraph shall render the policy null and void and that, in the event, no further obligation of any character shall rest upon the company.
- 8) **ADDITIONAL CREW:** The company agrees to accept this insurance on the basis of the premium being calculated on the normal complement of crew declared at the inception of the risk, with additional crew held covered. Any additional crew above the normal complement of crew declared at the inception of the risk will be held covered for an additional premium. It is the Assured's responsibility to promptly notify the company of any such additional crew on board the vessel.
- 9) **WAR RISKS:** Notwithstanding the Free of Capture, seizure, etc., warranty contained herein it is agreed that the Assured is protected and indemnified as shipowner in respect of liabilities and expenses which he shall have become liable to pay and shall have in fact paid in respect of the vessel named herein for the following:

Loss of damage caused by or indirectly due to contact with any mine, torpedo, bomb or other munitions or engines of war let off or put in any war or during hostilities, war-like operations, civil war, revolution, rebellion, insurrection of civil strife arising therefrom, prior to inception of risks hereunder.
- 10) **CANCELLATION:** This insurance may be canceled at any time by the Underwriters upon twenty (20) days written notice. The Underwriters must send notice to the Assured's last address known to them. If notice is mailed, proof of mailing will be sufficient notice. This insurance may be canceled by the Assured upon twenty (20) days written notice to the Underwriters. If this policy is canceled by the Underwriters, a pro-rata return of premium will be issued. If canceled by the Assured, short rate cancellation return of premium will be issued. This cancellation provision in no way affects any wording of the attached policies, clauses or endorsements calling for automatic termination or cancellation of the insurance.

TAYLOR

North American Specialty Ins. Co.

SP - 39C

1953

(Rev. 70)

In consideration of the premium and the stipulations, term and conditions hereinafter mentioned, this company does hereby insure:
Assured: Mary & Josephine Corp.

Whose address is: 279 Western Avenue Gloucester, MA 01930
Loss, if any, payable to Assured- FIRST PIONEER FARM CREDIT, A.C.A. FIRST INSURANCE FUNDING CORP.*
P.O. BOX 700
MIDDLEBORO MA 02346 NORTHBROOK IL 60063

Upon the: 1979 - Fishing Vessel - Documentation #603558 - called: F/V MARY & JOSEPHINE
Her hull, tackle, apparel, engines, boilers, machinery, appurtenances, equipment, stores, boats and furniture.
From the 13th day of August 2003 Beginning and ending
Until the 13th day of August 2004 at noon standard time at place of issuance.

AMOUNT			
INSURED HEREUNDER	RATE	PREMIUM	AGREED VALUATION
\$ 400,000	3.7188	\$ 14,875	\$ 400,000

Touching the adventures and perils which this company is contented to bear and take upon itself, they are of the waters named herein, fire, lightning, earthquake, assailing thieves, jettison, barratry of the master and mariners and all other like perils that shall come to the hurt, detriment or damage of the vessel named herein.

This insurance also covers loss of or damage to the vessel named herein caused by explosion on shipboard or elsewhere.

This insurance also covers loss of or damage to the vessel named herein directly caused by:
Accidents in loading, discharging or handling cargo, or in bunkering;
Accidents in going on or off, or while on drydocks, graving docks, ways, marine railways, griddions or pontoons;

Breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in the machinery or hull, (excluding the cost and expense of replacing or repairing the defective part);
Breakdown of or accidents to nuclear installations or reactors not on board the vessel named herein;

Contact with aircraft, rockets or similar missiles, or with any land conveyance;

Negligence of charterers and/or repairers, provided such charterers and/or repairers are not Assured(s) hereunder;

Negligence of master, mariners, engineers or pilots;

provided such loss or damage has not resulted from want of due diligence by the Assured, the owners or managers of the vessel, or any of them.

General average, salvage and special charges payable as provided in the contract of affreightment, or failing such provision, or there be no contract of affreightment, payable in accordance with the laws and usages of the port of New York. Provided always that when an adjustment according to the laws and usages of the port of destination is properly demanded by the owners of the cargo, general average shall be paid in accordance with same.

And it is further agreed that if the vessel named herein and/or her tow, if any, shall come into collision with any other ship or vessel other than her tow, if any, and the assured in consequence of the vessel named herein being at fault shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of such collision, this Company will pay its proportion of such sum or sums so paid as the amount insured of hereunder bears to the agreed valuation of the vessel named herein, provided always that this Company's liability in respect of any one such collision shall not exceed the amount insured hereunder. And in cases where the liability of the vessel named herein has been contested or proceedings have been taken to limit liability, with the consent in writing of this Company, this Company will also pay a like proportion of the costs which the assured shall thereby incur, or be compelled to pay, but when both vessels are to blame, then, unless the liability of the owners of one or both such vessels becomes limited by law, claims under this collision liability clause shall be settled on the principle of cross-liabilities as if the owners of each vessel had been compelled to pay to the owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such collision. Provided always that this clause shall in no case extend to any sum which the assured may directly, indirectly, or otherwise incur or become liable to pay or shall pay for: removal, destruction or abatement of, or any attempt or failure or neglect to remove, destroy or abate obstructions or wrecks and/or their cargoes or any hazard resulting therefrom; loss of, or damage to, or expense, including demurrage and/or loss of use thereof, in connection with any fixed or movable object, property or thing of whatever nature (excepting other vessels and property thereon); loss of or damage to her tow, cargo, baggage or engagements of the vessel named herein or of her tow, or for loss of life of, or injury to, or illness of, any person. And provided also that in the event of any claim under this clause made by anyone other than the owners of the vessel named herein, he shall not be entitled to recover in respect of any liability to which the owners of the vessel as such would not be subject, nor to a greater extent than the owners would be entitled in such event to recover.

*Total and/or constructive total loss only

61 In case of any loss or misfortune it shall be lawful and necessary for the assured, their factors, servants and assigns, to
62 sue, labor and travel for, in and about the defense, safeguard and recovery of the vessel named herein, or any part thereof,
63 without prejudice to this insurance, to the charges whereof this Company will contribute as hereinafter provided. It is
64 agreed that the acts of the assured or this Company, or their agents, in recovering, saving and preserving the property
65 insured in case of disaster shall not be considered a waiver or an acceptance of an abandonment, nor as affirming or
66 denying any liability under this Policy, but such acts shall be considered as done for the benefit of all concerned, and
67 without prejudice to the rights of either party.

68 Warranted that in case of any casualty or loss which may result in a claim under this policy the assured shall
69 give this Company prompt notice thereof and reasonable opportunity to be represented on a survey of the damage,
70 each party to name a surveyor, which two surveyors shall proceed to draw specifications as to the extent of the
71 damage and the work required to make the damage good. If the two surveyors agree, such specifications shall be
72 binding on both the Company and the assured, subject nevertheless to policy terms and conditions and the question
73 of whether or not the disaster and resulting loss or damage are covered by this policy. In the event the two survey-
74 ors cannot agree, they must select an umpire, and in the event they cannot agree upon an umpire, either party
75 hereto may apply to the United States District Court for the district in which the home port of the vessel named
76 herein is located for the appointment of an umpire, pursuant to the United States Arbitration Act. The decision of the
77 umpire so appointed shall have the same force and effect as the specifications aforesaid. When specifications have
78 been drawn in either of the modes aforesaid, if the Company shall be dissatisfied with the terms which the assured
79 may obtain for the repair of the damage as specified by said survey, then this Company may require the surveyors or the
80 umpire to submit the specifications prepared as aforesaid to such shipyard, repair men, boat builders and shipwrights,
81 as may be selected by such surveyors or the umpire, with a request for bids for such repairs. If after reception
82 of such bids, the assured shall elect to accept some other bid than that of the lowest bidder, this Company
83 shall be liable only for its proportion of so much of the sum actually expended to effect repairs specified
84 by the surveyors for its account as does not exceed said lowest bid. In no event however shall this Company
85 respond for an amount in excess of its proportion of the amount actually expended by the assured in effecting such
86 repairs.

87 With respect to physical loss or damage to the vessel named herein this Company shall be liable only for
88 such proportion of such loss or damage as the amount insured hereunder bears to the agreed valuation.

89 In the event of expenditure under the sue and labor clause, this Company will pay the proportion of such
90 expenses that the amount insured hereunder bears to the agreed valuation of the vessel named herein, or that the amount
91 insured hereunder, less loss and/or damage payable under this policy, bears to the actual value of the salvaged vessel,
92 whichever proportion shall be less.

93 When the contributory value of this vessel named herein is greater than the agreed valuation stated herein the liability
94 of this Company for general average contribution (except in respect of amount made good to the vessel) or salvage shall
95 not exceed that proportion of the total contribution due from the vessel that the amount insured hereunder bears to the
96 contributory value; and if because of damage for which this Company is liable as particular average the value of the vessel
97 has been reduced for the purpose of contribution, the amount of the particular average claim under this policy shall be
98 deducted from the amount insured hereunder and this Company shall be liable only for the proportion which such net
99 amount bears to the contributory value.

100 The sum of \$5000 shall be deducted from the total amount of any or all claims (including claims for
101 sue and labor, collision liability, general average and salvage charges) resulting from any one accident. This deduction does
102 not apply to claims for total or constructive total loss. For the purpose of this clause each accident shall be treated
103 separately, but it is agreed that a sequence of damages arising from the same accident shall be treated as due to
104 that accident.

105 In case of loss, such loss to be paid in thirty days after satisfactory proof of loss and interest shall have been made
106 and presented to this Company, (the amount of any indebtedness due this company from the assured or any other party
107 interested in this policy being first deducted).

108 Upon making payment under this policy the Company shall be vested with all of the assured's rights of recovery
109 against any person, corporation, vessel or interest and the assured shall execute and deliver instruments and papers and
110 do whatever else is necessary to secure such rights.

111 Any agreement, contract or act, past or future, expressed or implied, by the assured whereby any right of recovery
112 of the assured against any vessel, person or corporation is released, decreased, transferred or lost which would, on
113 payment of claim by this Company, belong to this Company but for such agreement, contract or act shall render this
114 policy null and void as to the amount of any such claim, but only to the extent and to the amount that said agreement,
115 contract or act releases, decreases, transfers, or causes the loss of any right of recovery of this Company but the

116 Companies rights to retain or recover the full premium shall not be affected.

117 This Company shall have the option of naming the attorneys who shall represent the assured in the prosecution or
118 defense of any litigation or negotiations between the assured and the third parties concerning any claim, loss or interest
119 covered by this policy, and this company shall have the direction of such litigation or negotiations. If the assured shall fail
120 or refuse to settle any claim as authorized by the Company, the liability of the Company to the assured shall be limited to
121 the amount for which settlement could have been made.

122 It is a condition of this policy that no suit, action or proceeding for the recovery of any claim for physical loss of or
123 damage to the vessel named herein shall be maintainable in any court of law or equity unless the same be commenced
124 within twelve (12) months next after the calendar date of the happening of the physical loss or damage out of which the
125 said claim arose. Provided, however, that if by the laws of the State within which this policy is issued such limitation is
126 invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of
127 time permitted, by the laws of such State, to be fixed herein.

128 In event of damage, cost of repairs to be paid without deduction of one-third, new for old.

129 * If claim for total loss is admitted under this policy and sue and labor expenses have been reasonably incurred in excess
130 of any proceeds realized or value recovered, the amount payable under this policy will be the proportion of such expenses
131 that the amount insured hereunder (without deduction for loss or damage) bears to the agreed valuation or the sound value
132 of the vessel named herein at the time of the accident, whichever value was greater.

133 It is a condition of this insurance that this Company shall not be liable for unrepaired damage in addition to a total or
134 constructive total loss.

135 No recovery for a constructive total loss shall be had hereunder unless the expense of recovering and repairing the
136 vessel named herein shall exceed the agreed valuation.

137 In ascertaining whether the vessel named herein is a constructive total loss the agreed valuation shall be taken
138 as the repaired value, and nothing in respect of the damaged or break-up value of the vessel or wreck shall be taken into
139 account

140 In the event of total or constructive total loss, no claim is to be made by this Company for freight, whether notice of
141 abandonment has been given or not.

142 Any deviation beyond the navigation limits provided herein shall void this policy, but on the return of the vessel in a
143 seaworthy condition, within the limits herein provided, this policy shall reattach and continue in full force and effect, but
144 in no case beyond the termination of this policy.

145 Warranted by the assured that there shall be no other insurance covering physical loss or damage to
146 the vessel named herein other than that which is provided in lines 15 through 33 hereof but permission is granted to carry
147 other insurance whatever kind or nature not covered by this policy or additional amounts of insurance of the kind or
148 nature covered by this policy other than as provided in lines 15 through 33.

149 This insurance shall be void in case this policy or vessel named herein, shall be sold, assigned, transferred or
150 pledged, or if there by any chance of management or charter of the vessel, without the previous consent in writing of this
151 company.

152 Notwithstanding anything to the contrary contained in this policy, this insurance is warranted free from any claim
153 for loss, damage or expense caused by or resulting from capture, seizure, arrest, restraint or detainment, or the con-
154 sequences thereof or of any attempt thereof, or any taking of the vessel, by requisition or otherwise, whether in time of
155 peace or war and whether lawful or otherwise; also from all consequences of hostilities or warlike operations (whether
156 there be a declaration of war or not), but the foregoing shall not exclude collision or contact with aircraft, rockets or
157 similar missiles, or with any fixed or floating objects (other than a mine or torpedo), stranding, heavy weather, fire or
158 explosion unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in
159 the case of collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power,
160 and for the purpose of this warranty "power" includes any authority maintaining naval, military or air forces in as-
161 sociation with a power, also warranted free whether in time of peace or war, from all loss, damage or expense caused
162 by any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or
163 matter.

164 Further warranted free from the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising
165 therefrom, or piracy.

166 If war risks are hereafter insured by endorsement on the policy, such endorsement shall supersede the
167 above warranty only to the extent that their terms are inconsistent and only while such war risk endorsement remains in
168 force.

169 Warranted free of loss or damage in consequence of strikes, lockouts, political or labor disturbances, civil
170 commotions, riots, martial law, military or usurped power or malicious acts.

171 Either party may cancel this policy by giving ten days notice in writing, if at the option of this Company pro rata
172 rates, if at the request of the assured short rates, will be charges-and-arrival.

173 NAVIGATION LIMITS - SPECIAL CONDITIONS - ENDORSEMENTS, ETC.

Navigation limit understood to be confined to the Atlantic Ocean,
including its tributary waters, not east of 60 degrees West Longitude nor
north of 44 degrees North Latitude, nor south of 35 degrees North
Latitude, however, permitted to trade other waters solely to procure bait
and supplies.

As per attached Special Conditions, Clauses and Endorsements.

174 Attached to and made part of Policy No. DMM/0000003-01 of the North American Specialty Ins. Co.

EFFECTIVE: AUG 13 03

ENDORSEMENT TO POLICY

ISSUED TO: Mary & Josephine Corp.

F/V MARY & JOSEPHINE

F.P.A. MACHINERY

It is understood and agreed that this policy shall not respond for any claims for loss or damage to machinery and appurtenances, unless directly caused by stranding, sinking, fire or collision with another vessel. This exclusion, however, does not apply to the propeller and propeller shaft.

Date printed: August 12, 2003

All other Terms and Conditions of this policy remain unchanged.

This endorsement forms part of policy No. DMM0000003-01 of the

North American Specialty Ins. Co.

AMERICAN INSTITUTE
SINGLE INTEREST MORTGAGEE FORM
July 1, 1963

12

ASSURED

To be attached to and form a part of Policy No. DATA100000003-01 of the North American Specialty Ins. Co.

Insuring FIRST PIONEER FARM CREDIT, ACA
P.O. BOX 720
MIDDLEBORO, MA 02346

as Mortgagee, for account of themselves, for the interest described below, said Mortgagee being herein referred to as "the Assured".

INTEREST

Upon the interest of the Assured, its Mortgagee of the vessel F/V MARY & JOSEPHINE
(hereinafter referred to as "the Vessel")

LOSSES PAYABLE

Loss, if any, payable to Assured or order.

SUM INSURED

NINETY-NINE THOUSAND FOUR HUNDRED EIGHTY-NINE AND 00/100 Dollars ***
Part of NINETY-NINE THOUSAND FOUR HUNDRED EIGHTY-NINE AND 00/100 Dollars ***

insured this interest, being the unpaid principal amount of a valid mortgage held by the Assured on the Vessel, reducing pro rata to the extent of payments made on account of the mortgage indebtedness. This Policy also insures interest earned and unpaid to date of loss, which, however, with the unpaid balances, shall not exceed the sum insured hereunder.

TERM

At and from the 13th day of August 2003, Eastern Standard time,
to the 13th day of August 2004, Eastern Standard time.

TERMINATION

These Underwriters to be paid in consideration of this insurance \$ as agreed
being at the rate of % per annum of the sum initially at risk hereunder.

CANCELLATION

This Policy (other than for non-payment of premium) may be cancelled by either party on 30 days notice in writing. Such notice, when given by these Underwriters, shall be deemed to have been given at such time as written notice shall have been mailed to the Assured at its last known address or telegraphic notice sent thereto. A written or telegraphic notice sent through the brokers who negotiated this Policy or by them, at the request of these Underwriters, shall operate to effect cancellation of this Policy in the same manner as if sent directly by these Underwriters. Not unearned premium to be returned in the event of cancellation by either party as aforesaid.

In the event of non-payment of premium 30 days after attachment, this Policy may be cancelled by these Underwriters upon 5 days' written notice being given the Assured in the form provided for above. Such proportion of the premium, however, as shall have been earned up to the time of such cancellation shall be due and payable, but in the event of payment by these Underwriters of the sum insured hereunder by reason of non-payment by underwriters of the Hull Policy of a claim asserted thereunder for any liability, loss, damage or expense of, to or in respect of the Vessel occurring or arising prior to cancellation, the full annual premium shall be deemed as earned.

TERMINATION

Unless otherwise agreed to in writing by these underwriters, the insurance afforded by this Policy shall terminate in the event that there has been a change, voluntary or otherwise in the ownership of the vessel or it has been placed under new management or chartered on a bareboat basis or requisitioned on that basis.

CONDITIONS OF
ATTACHMENT AND
DURATION OF RISK

1. It is a condition of this insurance that during the term of this Policy:
(a) the vessel is covered by policies of insurance on the form and in the amount specified below:

Policy No. DATA100000003-01 Taylor SP-39C Hull Value \$400,000

(b) the Assured is named as a loss payee in the policies above described, which are herein referred to collectively and separately and defined as "the Hull Policy".

(Continued on following page)

RISKS INSURED AGAINST

2. This Policy insures only against the non-payment by underwriters of the Hull Policy, of a claim asserted thereunder for any liability, loss, damage or expense occurring or arising during the term of this Policy, which non-payment results from any act of or omission by, the assured(s) named in the Hull Policy, or breach of any warranty, express or implied, in the Hull Policy other than breach of warranty contained in the F.C.&S. Clause thereof.

PROVIDED that such act or omission or breach of warranty occurred without the consent or privity of the Assured.

EXCLUSIONS

3. The insurance afforded by this Policy does not cover:
 - (a) the non-payment of a claim for any liability, loss, damage or expense, or any part thereof;

- (i) collectible under the Hull Policy or which would be collectible thereunder except for the insolvency of the underwriters thereon; or
 - (ii) not recoverable under the Hull Policy by reason of any deductible or franchise included therein; or
 - (iii) which has been satisfied, repaired or discharged prior to payment of a claim hereunder; or
 - (b) any claim of the Assured arising solely out of the insolvency of the owner of the vessel.

In no event shall these Underwriters indemnify or contribute to, pro rata or otherwise, underwriters of the /Hull Policy.

CONDITIONS PRECEDENT TO CLAIM

4. As a condition precedent to any claim hereunder, unless waived by these Underwriters:
 - (a) the underwriters of the Hull Policy must have denied the claim for any liability, loss, damage or expense which is the subject of a claim hereunder; and
 - (b) the Assured shall have instituted suit against such underwriters to collect such claim.

SUBROGATION OF UNDER- WRITERS

5. (a) These Underwriters, upon payment of a loss under this Policy, shall, to the extent of such payment, be subrogated to all of the rights of the Assured under the Hull Policy, the Mortgage on the Vessel and any note or bond secured thereby, and under any other instrument taken by the Assured as security for the repayment of the mortgage indebtedness. On the request of these Underwriters, the Assured shall execute and deliver all documents necessary to effect a valid assignment of the said policy, mortgage, note or bond, and any other instrument taken by way of security as aforesaid, and of all the right, title and interest of the Assured therein. Any net sum recovered by these Underwriters in excess of the amount due to them by reason of their rights of subrogation as aforesaid shall be held for the account of the Assured.

- (b) If any event occurs which does or could give rise to a claim under this Policy, the Assured shall not in any way, whether by act or failure to act, impair these Underwriters' rights of subrogation as aforesaid. Any claim under this Policy shall be reduced to the extent that such rights of subrogation have been impaired.

NOTICE OF POSSIBLE CLAIM AND SURVEY

6. (a) The Assured shall, as soon as practicable, report to these Underwriters any denial of liability by the Underwriters of the policies described in Clause "1" hereof for a claim thereunder which denial could result in a claim under this Policy.

- (b) Whenever requested, Assured shall arrange for attendance at any hull survey of a surveyor appointed by these Underwriters.

The terms and conditions of this Policy are to be regarded as substituted for those of the policy to which it is attached, the latter being hereby waived, except provisions required by law to be inserted in this Policy.

Marginal captions are inserted for purposes of convenient reference only and are not to be deemed part of this Policy.

NAME OF ASSURED: Mary & Josephine Corp.
F/V MARY & JOSEPHINE

TYPE: Marine Insurance

LOSS OF EARNINGS ENDORSEMENT

In addition to any damage (particular average) claim under Hull and Machinery section, this insurance shall pay to the insured 1% of the Hull and Machinery sum insured daily pro rata for every 30 day period, whilst undergoing resultant repairs, but excluding the first 30 days, for a period of 150 days thereafter, subject to a minimum payment of \$1,440 and a maximum payment of \$28,800 any one claim. No payment can be made for any period the vessel is prohibited from fishing whilst repairs were carried out nor following total loss or constructive total loss.

ENDORSEMENT TO POLICY

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF
POLICY NO. DMM000003-01

EFFECTIVE DATE OF THIS ENDORSEMENT: August 13, 2003
BY

North American Specialty Ins. Co.

Hull War Risks and Strikes Clauses
(Including Automatic Termination and Cancellation Provisions)
For attachment to American Institute Hull Clauses
December 1, 1977

1 To be attached to and made part of Policy No. **DNM000003-01** of the North American Specialty Ins. Co.
2 Issued to: **Mary & Josephine Corp.**

3 This insurance, subject to the exclusions set forth herein, covers only those risks which would be covered by the
4 attached Policy (including collision liability) in the absence of the WAR, STRIKES AND RELATED EXCLUSIONS clause
5 contained therein but which are excluded thereby and which risks shall be construed as also including:
6 1. Any mine, bomb or torpedo not carried as cargo on board the vessel;
7 2. Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force
8 or matter;
9 3. Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom;
10 4. Strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military or usurped power,
11 5. Malicious acts or vandalism to the extent only that such risks are not covered by the attached Policy;
12 6. Hostilities or warfare operations (whether there be a declaration of war or not) but this paragraph (6) shall not
13 include collision or contact with aircraft, rockets or similar missiles, or with any fixed object, or strand-
14 ing, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power
15 which act is independent of the nature of the voyage or service which the Vessel concerned or, in the case of
16 a collision, any other Vessel involved therein, is performing. As used herein, "power" includes any authority
17 maintaining naval, military or air forces in association with a power.

EXCLUSIONS

18 This insurance does not cover any loss, damage or expense caused by, resulting from, or incurred as a consequence
19 of:
20 a. Any hostile detonation of any weapon of war described above in paragraph (2);
21 b. Outbreak of war (whether there be a declaration of war or not) between any of the following countries: United
22 States of America, United Kingdom, France, the Union of Soviet Socialist Republics or the People's Republic
23 of China;
24 c. Delay or demurrage;
25 d. Requisition or preemption;
26 e. Arrest, restraint, or detainment under customs or quarantine regulations and similar arrests, restraints or detain-
27 ments not arising from actual or impending hostilities;
28 f. Capture, seizure, arrest, restraint, detainment, or confiscation by the Government of the United States or of the
29 country in which the Vessel is owned or registered.

HELD COVERED AND OTHER PROVISIONS

30 The held covered clause appearing under the heading **ADVENTURE** in the attached Policy is deleted and the follow-
31 ing clause substituted therefore:
32 "Subject to the provisions of the Automatic Termination and Cancellation Clause below, held covered in the
33 event of any breach of conditions as to loading or discharging of cargo at sea, or towage or salvage activities
34 provided (a) notice is given to the Underwriters immediately following receipt of knowledge thereof by the
35 Assured, and (b) any amended terms of cover and any additional premium required by the Underwriters are
36 agreed to by the Assured."

37 If at the natural expiry time of this insurance the Vessel is at sea, this insurance will be extended, provided previous
38 notice be given to the underwriters, for an additional premium at a rate to be named by the Underwriters, until midnight
39 Local Time of the day on which the Vessel enters the next port to which she proceeds and for 24 hours thereafter, but
40 in no event shall such extension affect or postpone the operation of the Automatic and Cancellation Clauses
41 below.
42 Warranted not to abandon in case of capture, seizure or detention, until after condemnation of the property insured.
43 The provisions of the attached Policy with respect to constructive Total Loss shall apply only to claims arising from
44 physical damage to the vessel.

AUTOMATIC TERMINATION AND CANCELLATION CLAUSES

45 A. This insurance and any extension thereof, unless sooner terminated by the provisions of section B or C, shall terminate
46 automatically upon and simultaneously with the occurrence of any hostile detonation of any nuclear weapon of war
47 as defined above, whosoever or whosoever such detonation may occur and whether or not the Vessel may be
48 involved.

49 B. This insurance and any extension thereof, unless sooner terminated by the provisions of section A or C, shall termi-
50 nate automatically upon and simultaneously with the outbreak of war, whether there be a declaration of war or not,
51 between any of the following countries: United States of America, United Kingdom, France, the Union of Soviet
52 Socialist Republics or the People's Republic of China.

53 C. This insurance and any extension thereof, unless sooner terminated by section A or B, shall terminate automatically
54 if and when the Vessel is requisitioned, either for title or use.

55 D. This insurance and any extension thereof may be cancelled at any time at the Assured's request, or by Underwriters
56 upon 14 days written notice being given to the Assured, but in no event shall such cancellation affect or postpone
57 the operation of the provisions of section A, B or C. Written or telegraphic notice sent to the Assured at his/(its)
58 last known address shall constitute a complete notice of cancellation and such notice mailed or telegraphed to
59 the said Assured, care of the broker who negotiated this insurance, shall have the same effect as if sent to the
60 said Assured direct. The mailing of notice as aforesaid shall be sufficient proof of notice and the effective date
61 and hour of cancellation shall be 14 days from midnight Local Time of the day such notice was mailed or
62 telegraphed as aforesaid. Underwriters agree, however, to reinstate this insurance subject to agreement between
63 Underwriters and the Assured prior to the effective date and hour of such cancellation as to new rate of premium
64 and/or conditions and/or warranties.

RETURN OF PREMIUM

65 THE RETURNS OF PREMIUM clause of the attached Policy is deleted and the following substituted therefore:-

66 "In the event of an automatic termination or cancellation of this insurance under the provisions of sections
67 A, B, C or D above, or if the vessel should be sold, pro rata net return of premium will be payable to the Assured,
68 provided always that a Total Loss of the Vessel has not occurred during the currency of this Policy. In no
69 other event shall there be any return of premium."

70 THIS INSURANCE SHALL NOT BECOME EFFECTIVE IF, PRIOR TO THE INTENDED TIME OF ITS ATTACHMENT, THERE
71 HAS OCCURRED ANY EVENT WHICH WOULD HAVE AUTOMATICALLY TERMINATED THIS INSURANCE UNDER THE
72 PROVISIONS OF SECTIONS A, B, OR C HEREOF HAD THIS INSURANCE ATTACHED PRIOR TO SUCH OCCURRENCE.

AMU
PROTECTION AND INDEMNITY (P AND I) CLAUSES
(JUNE 2, 1983)

1 To be attached to and from part of Policy No. DMM0000003-01 of North American Specialty Ins. Co., (hereinafter "the
2 Underwriters"),
3 THE FOLLOWING CLAUSES ARE SUBSTITUTED FOR THOSE OF THE POLICY FORM TO WHICH
4 THEY ARE ATTACHED, THE LATTER BEING VOID, EXCEPT FOR THOSE PROVISIONS REQUIRED
5 BY LAW. CAPTIONS, BELOW ARE FOR EASE OF REFERENCE ONLY AND ARE NOT TO BE USED TO
6 INTERPRET THE CLAUSES.

ASSURED

7 This Policy insures Mary & Josephine Corp.
279 Western Avenue
Gloucester, MA 01930

8
9 (hereinafter, "the Assured"). The Underwriters waive all rights of subrogation against affiliated or subsidiary compa-
10 nies of the Assured but only to the extent that the liabilities of such companies are uninsured.

VESSEL

11 The underwriters will indemnify the Assured in respect of the matters set forth at lines 46 through 76, below, subject
12 to all the other terms, hereof, in respect of the F/V MARY & JOSEPHINE of 97 gross registered tons hereinafter, the
13 "Vessel". If more than one vessel is named, all clauses shall apply as though a separate Policy had been issued for
14 each vessel.

DURATION OF RISK

15 This Policy attaches on August 13 2003, at noon o'clock Eastern Standard time and expires on
16 August 13 2004, at noon o'clock Eastern Standard time. Should the vessel be at sea at the expiration of
17 this Policy, or in distress, or at a port of refuge or call, she shall be held covered until she reaches her port of destina-
18 tion, provided prior notice be given to the Underwriters and provided the Assured agrees to any amended terms of
19 cover and additional premium if required by the Underwriters.

LIMIT OF LIABILITY

20 Liability hereunder in respect of all consequences of any one casualty or occurrence, including defense costs, shall not
21 exceed the sum of \$250,000 less any applicable deductible, regardless of how many separate injuries or
22 claims arise out of such casualty or occurrence.

DEDUCTIBLES

23 There shall be deducted from the total amount payable by the underwriters with respect to all claims, including costs
24 of defense and expenses, arising from any one casualty or occurrence:

25 a) \$ 1,500 with respect to those claims for loss of life, bodily injury or illness, and
26 b) \$ 5,000 with respect to all other claims;
27 PROVIDED, HOWEVER, that the maximum deductible for any one casualty or occurrence shall not exceed the
28 greater of the foregoing amounts.

PREMIUM

29 The Underwriters are to be paid premium of \$ As Agreed for this insurance, payable as follows:
30
31 In full on inception

RETURN PREMIUM

32 If the Vessel is sold, demise chartered or requisitioned this Policy shall terminate on the date and at the hour when
33 such disposition of the Vessel is effective and the Underwriters will return premium on a pro rata daily net basis for the
34 unexpired term. If the Policy is cancelled by the Assured, the Underwriters will return premium on the usual short rate
35 daily net basis for the unexpired term. If the Policy is cancelled by the Underwriters they will return premium on a pro
36 rata daily net basis for the unexpired term.

CANCELLATION

37 The Policy may be cancelled by the Underwriters or by the Assured upon fifteen days written or telegraphic notice.
38 The Underwriters may send notice to the Assured's last address known to them, or to the broker of record at the time
39 when notice is given. At noon local time at the place of sending of the notice on the fifteenth day after such notice
40 shall have been mailed, telegraphed or telexed, the Policy shall cease to be in effect. The Policy may also be cancelled
41 at any time by mutual agreement of the Assured and the Underwriters.

TRADING WARRANTY

42 Warranted that the Vessel shall be confined to
Navigation limit understood to be confined to the Atlantic Ocean, including
its tributary waters, not east of 60 degrees West Longitude nor north of 44
43 degrees North Latitude, nor south of 35 degrees North Latitude, however,
44 permitted to trade other waters solely to procure bait and supplies.
45

INDEMNITY

46 Subject to all exclusions and other terms of this Policy the Underwriters agree to indemnify the Assured for any sums
 47 which the Assured, as owner of the Vessel, shall have become liable to pay, and shall have paid, in respect of any
 48 casualty or occurrence during the currency of the Policy but only in consequence of any of the matters set forth here-
 49 under provided, however, that if the interest of the Assured is or includes interests other than the owner of the Vessel,
 50 the Underwriters' liability shall not be greater than if the Assured was the Owner entitled to all defenses and limita-
 51 tions of liability to which a shipowner is entitled:

- 52 (1) Loss of life and bodily injury, but excluding amounts paid under any compensation act.
- 53 (2) Hospitals, medical or other expenses necessarily and reasonably incurred with respect to loss of life, bodily injury
54 to, or illness of, any person.
- 55 (3) Crew member burial expense not to exceed \$1,000 per person.
- 56 (4) Repatriation expense of crew member, excepting such as arise from the termination of any agreement in
57 accordance with its terms, or the sale of the vessel or other voluntary act of the Assured. Wages may be included
58 in such expenses when a statute requires payment of wage while awaiting and during repatriation.
- 59 (5) Damage of any fixed or movable object or property, howsoever caused, excepting however, damage to another
60 Vessel or any property aboard it caused by collision with the Vessel.
- 61 (6) Cost or expense of, or incidental to, any attempted or actual removal or disposal of obstructions, wrecks or their
62 cargoes under statutory power or otherwise pursuant to law, provide, however, that there shall be deducted from
63 such claim for cost or expense, the value of any salvage from the wreck inuring to the benefit of the Assured or any
64 subrogee thereof.
- 65 (7) Fines and penalties, including expenses reasonably incurred in avoiding or mitigating same, for the violation of
66 any of the laws of the United States, or any State thereof, or of any foreign country, provided, however, that the
67 Underwriters shall not be liable to indemnify the Assured against any such fines or penalties resulting directly or
68 indirectly from the failure, neglect, or default of the Assured or his managing officers or managing agents to exercise
69 the highest degree of diligence to prevent a violation of any such laws.
- 70 (8) Extraordinary expense arising from an outbreak of contagious disease, provided that the Vessel was not
71 ordered by anyone acting on behalf of the Assured to proceed to a port where such disease was known or supposed
72 to exist.
- 73 (9) Costs incurred with the written consent of the Underwriters, or reasonably incurred prior to receipt of advices
74 from Underwriters, for investigation and defense of claims, valid or not, within the scope of the Policy.
- 75 (10) Port charges incurred solely for the purpose of putting in to land an injured or sick seaman or passenger, and the
76 net loss to the Assured in respect of bunkers, insurance, stores and provisions as the result of the deviation.

EXCLUSIONS

77 Notwithstanding anything to the contrary elsewhere herein the Underwriters will not indemnify the Assured in
 78 respect of any of the following matters:

- 79 (A) Any liability assumed under contract or otherwise.
- 80 (B) Liability imposed on the Assured as punitive or exemplary damages, however described.
- 81 (C) Any liability for any loss of, damage to, or expense in respect of, cargo or other property (including baggage and
82 personal effects of passengers, mail, and parcel post) carried, to be carried, or which had been carried on board
83 the Vessel, except, however, such liability imposed under the doctrine of cross liabilities for cargo on
84 board the Vessel for which there is no coverage under any other Policy held by the Assured.
- 85 (D) Any liability or claim for, or any loss of, damage to, or expense in respect of property owned, leased, chartered
86 or hired by the Assured.
- 87 (E) Engagement in unlawful trade or performance of an unlawful act with knowledge of the Assured.
- 88 (F) Cancellation or breach of any contract.
- 89 (G) Bad debts.
- 90 (H) Fraud, dishonesty or insolvency of the Assured, its agents or others.
- 91 (I) Salvage charges, special charges, general average, freight, detention, demurrage or loss of use, of the Vessel.
- 92 (J) Any liability for, or any loss, damage, or expense arising from or accruing by reason of the towage of any other
93 vessel or craft other than emergency towage of a vessel in distress at sea to a port or place of safety, except,
94 however, this exclusion shall not apply to claims for loss of life, or bodily injury to, or illness of any person.
95 Emergency towage is deemed to be towage undertaken as a salvage service while the Vessel is on a voyage wholly
96 unrelated to performance of such service.
- 97 (K) Any liability for, or any loss, damage or expense while engaged in, or resulting from, any commercial diving
98 operation or service from the Vessel, except, however, any liability incurred when the Vessel's crew is
99 engaged in inspection or repair of the Vessel which could not be deferred until commercial divers were available.

100 (L) Any liability for, or any loss, damage, injury or expense resulting from nuclear radiation, fission or fusion
 101 whether such loss, damage, injury or expense has been caused directly or indirectly or has arisen from any matter
 102 for which the Assured has responsibility or otherwise, and whether the nuclear event be controlled or un-
 103 controlled.

104 (M) Any liability for, or any loss, damage, injury or expense caused by, resulting from or incurred by reason of any
 105 one or more of the following:

- 106 1) Capture, seizure, arrest, taking, restraint, detainment, confiscation, preemption, requisition or national-
 107 ization, or the consequences thereof or any attempt thereof, whether in time of peace or war and whether
 108 lawful or otherwise;
- 109 2) Any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive
 110 force or matter, or by any mine, bomb or torpedo;
- 111 3) Hostilities or warlike operations (whether there be a declaration of war or not), but the phrase, "hostilities
 112 or warlike operations (whether there be a declaration of war or not)", shall not exclude collision or contact
 113 with aircraft, rockets or similar missiles or with any fixed or floating object, heavy weather, fire
 114 or explosion unless caused directly (independently of the nature of the voyage or service which the watercraft
 115 concerned or in the case of a collision, any other vessel involved herein, is performing) by a hostile act by
 116 or against a belligerent power, for the purpose of the foregoing, power includes any authority maintaining
 117 naval, military or air forces in association with a power. In addition to the foregoing exclusion, this in-
 118 surance shall not cover any loss, damage or expense to which a warlike act or the use of military or naval
 119 weapons is a contributing cause, whether or not the Assured's liability therefore is based on negligence or
 120 otherwise, and whether in time of peace or war. The embarkation, carriage and disembarkation of troops,
 121 combatants, or material of war, or the placement of the watercraft in jeopardy as an act of measure of war
 122 taken in the actual process of a military engagement, with or without the consent of the Assured, shall be
 123 considered a warlike act for the purposes of this Policy;
- 124 4) The consequences of civil war, revolution, rebellion, insurrection, military or usurped power, the imposition
 125 of martial law, or civil strife arising therefrom, or piracy, or from any loss, damage or expense caused by
 126 or resulting directly or indirectly from the act or acts of one or more persons, whether or not agents of a
 127 sovereign power, carried out for political, ideological or terrorist purposes, and whether any loss, damage
 128 or expense resulting therefrom is accidental or intentional.
- 129 5) Malignant acts or vandalism, strikes, lockouts, political or labor disturbances, civil commotions, riots, or
 130 the acts of any person or persons taking part in such occurrence or disorder.

131 (N) Any liability for, or any loss, damage, cost, expense, fine or penalty of any kind or nature whatsoever, whether
 132 statutory or otherwise, incurred by or imposed on the Assured, direct or indirectly, in consequence of, or with
 133 respect to, the actual or potential discharge, emission, spillage or leakage upon or into the seas, waters, land or
 134 air, of substances of any kind or nature whatsoever.

135 GENERAL CONDITIONS

136 NOTICE OF LOSS

137 It is a condition of this Policy that the Assured give prompt notice to the Underwriters of any casualty or occurrence
 138 which may result in a claim under this Policy

139 FORWARDING OF PROCESS

140 It is a condition of this Policy that the Assured forward to the Underwriters, promptly upon receipt, copies of all
 141 communications, legal process and pleadings relating to any casualty or occurrence which may result in a claim under
 142 this Policy.

143 SETTLEMENT OF CLAIMS

- 144 1) It is a condition of the Policy that the Assured shall not make any admission of nor agree to assume any liability
 145 either before or after any casualty or occurrence which may result in a claim under this Policy.
- 146 2) It is a condition of this Policy that the Assured shall take such steps to minimize and avoid liability, before and after
 147 any casualty or occurrence, as would be taken by a prudent uninsured person.
- 148 3) The Underwriters shall have the option of naming the attorneys who shall represent the Assured in the prose-
 149 cution or defense of any litigation or negotiations between the Assured and the third parties concerning any claim
 150 covered by this policy, and in any event, the Underwriters shall direct the progress of such litigation or nego-
 151 tiations.
- 152 (4) If the Assured shall fail, or refuse, to settle any claim authorized by the Underwriters, the liability of the Under-
 153 writers shall be limited to the amount for which settlement could have been made plus legal fees and disbursements
 154 incurred to the date the Assured fails or refuses to settle any such claim, less the amount of any deductible provided
 155 for in this policy. If thereafter any amount is recovered against the Assured in excess of the amount of any settle-
 156 ment authorized by the Underwriters (less the deductible), such excess amount, plus any additional legal fees and
 157 disbursements, shall be solely for account of the Assured.

158 CLAIM COOPERATION

159 The Assured shall aid in securing information, evidence, obtaining witnesses, and shall cooperate with the Under-
 160 writers in the defense of any claim or suit in the appeal from any judgement in respect of any casualty or occurrence
 161 as hereinbefore provided.

162 SUBROGATION

163 The Underwriters shall be subrogated to all the rights which the Assured may have against any other person or entity,
 164 in respect of any payment made under this Policy, to the extent of such payment, and the Assured shall, upon the
 165 request of the Underwriters execute and shall deliver such instruments and papers as the Underwriters shall require
 166 and do what ever else is necessary to secure such rights. In the event of any agreement or act, past or future, by the
 167 Assured, whereby any right of recovery of the Assured against any person or entity is released or lost to which the
 168 Underwriters on payment of loss would be entitled to subrogation, but for such agreement or act, the Underwriters
 169 shall be relieved of liability under this Policy to the extent that their rights of subrogation have been impaired
 170 thereby, in such event the right of the Underwriters to retain or collect any premium paid or due hereunder shall

165 not be ejected. The Underwriters shall not be liable for the costs and expenses of prosecuting any claim or suit
166 unless the same shall have been incurred with the written consent of the Underwriters, or the Underwriters shall
167 be satisfied that such approval could not have been obtained under the circumstances without unreasonable delay
168 and that such costs and expenses were reasonably and properly incurred, such costs and expenses being subject to
169 the deductible. The Underwriters shall be entitled to take credit for any profit accruing to the Assured by reason
170 of any negligence or wrongful act of the Assured's servants or agents, up to the measure of their loss, or to recover
171 for their own account from third parties any damage that may be provable by reason of such negligence or
172 wrongful act.

173 OTHER INSURANCE

174 Provided that where the Assured is, irrespective of this insurance, covered or protected against any loss or claim
175 which would otherwise have been paid by the Underwriters under this Policy, there shall be no contribution or par-
176 ticipation by the Underwriters on the basis of excess, contributing, deficiency, concurrent, or double insurance

177 ASSIGNMENTS

178 Neither this Policy nor any claim or demand against the Underwriters under this Policy shall be assigned or trans-
179 ferred, and no person, excepting a legally appointed receiver of the property of the Assured, shall acquire any right
180 against the Underwriters by virtue of this insurance without the express consent of the Underwriters endorsed hereon.
181 This Policy shall cease to be in effect 10 days after appointment of a receiver, trustee or any other transferee of the
182 Assured's assets.

183 TIME FOR SUIT CASE

184 No action shall lie against the underwriters for the recovery of any loss sustained by the Assured unless such action
185 be brought against the Underwriters within one year after the final judgement or decree is entered in the litigation
186 against the Assured, or in case the claim against the Underwriters accrues without the entry of such final judgement
187 or decree, unless such action be brought within one year from the date of the payment by the Assured of such claim,
188 provided, however, that where such limitation of time is prohibited by the law of the State wherein this Policy
is issued, then, and only in that event, no action under this Policy shall be sustainable unless commenced within the
shortest limitation permitted under the law of such state.

Warranted 3-4 Crew Excluding Owners

AMERICAN HULL INSURANCE SYNDICATE
WAR RISK PROTECTION & INDEMNITY CLAUSES
JANUARY 18, 1970

SP-22B

To be attached to and made part of Policy No. DMN10000003-01 of the North American Specialty Ins. Co.

Insuring Mary & Josephine Corp.
279 Western Avenue
Gloucester MA 01930

FV MARY & JOSEPHINE

A. This insurance is also to cover the liability of the assured for Protection and Indemnity Risks excluded from Marine Protection and Indemnity Policies commonly issued by stock insurance companies in the United States by the following or a substantially similar F.C. & S. Clause:

"Notwithstanding anything to the contrary contained in this policy, no liability attaches to the company, directly or indirectly, for or in respect of any loss, damage or expense sustained by reason of any taking of the vessel by requisition or otherwise, civil war, revolution, rebellion, or insurrection, or civil strife arising therefrom, capture, seizure, arrest, restraint or detainment, or the consequences thereof or of any attempt thereof, or sustained in consequence of military, naval or air action by force of arms, including mines and torpedoes or other missiles or engines of war, whether of enemy or friendly origin; or sustained in consequence of placing the vessel in jeopardy as an act or measure of war taken in the actual process of a military engagement, including embarking or disembarking troops or material of war in the immediate zone of such engagement, and any such loss, damage and expense shall be excluded from this policy without regard to whether the Assured's liability therefore is based on negligence or otherwise, and whether before or after a declaration of war."

B. This insurance includes liability of the assured arising out of strikes, riots and civil commotions and for contractual repatriation expenses of any member of the crew as a result of perils excluded by the aforesaid F.C. & S. Clause.

C. The Underwriters agree to accept the same percentage interest under these clauses as accepted under the Hull War Risks and Strikes Clauses.

D. The liability of the Underwriters under these clauses in respect of any one accident or series of accidents arising out of the same casualty shall be limited to the Amount Insured Hereunder.

E. Claims for which the Underwriters shall be liable under these clauses shall not be subject to any deduction.

F. This Protection and Indemnity Insurance shall terminate automatically at the same time as the insurance afforded by the Hull War Risks and Strikes Clauses and upon the terms and conditions contained in the Automatic Termination and Cancellation provisions of said Clauses.

G. Notwithstanding the provisions of Clause F, in event of loss or shipwreck of the vessel from any cause prior to the natural expiry time or automatic termination of this policy, this insurance shall continue to cover the liability of the assured to the crew of the insured vessel, subject to its terms and conditions and at an additional premium if so required by Underwriters, until the crew shall be either discharged or landed at at port or place to which the owners or charterers are obliged to bring them.

H. Notwithstanding any of the foregoing provisions all liabilities covered by the Second Seaman's form of policy are excluded from this insurance.

All other terms and conditions remaining unchanged.

Dated

Signed

Assured: Mary & Josephine Corp.
Vessel: FV/MARY & JOSEPHINE
Type: Marine Insurance

OCCUPATIONAL DISEASE EXCLUSION

Excluding occupational disease unless it can be established the disease was contracted during the insured period and then only to the extent the disease can be proven.

This endorsement is attached and made part of Policy No. DMM100000003-01

All other Terms and Conditions remain the same.

Effective Date of this endorsement: August 13, 2003

North American Specialty Ins. Co.

ENDORSEMENT # 1

Date
AUG 12 03

Name and Address of Broker ROBERT C. MCVEY OCEAN MARINE INSURANCE AGENCY WARWICK RI 02886-0114		Name and Address of Insured Mary & Josephine Corp. 279 Western Avenue Gloucester MA 01930	
Name of Insurance Company North American Specialty Ins. Co.		Policy Number DMMD000003-01	
Effective Date and Time of Change AUG 13 03		Policy Period AUG 13 03	(Expiration) AUG 13 04
		New Premium (if changed)	

INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.
 1. In no case shall this Insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- 1.1 Ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
- 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

CL356A
 INSTITUTE CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, ELECTROMAGNETIC WEAPONS AND CYBER ATTACK
 EXCLUSION CLAUSE


This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- 1.1 any chemical, biological, bio-chemical or electromagnetic weapon
- 1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, computer virus or process or any other electronic system.

CL365

(Authorized Signature)

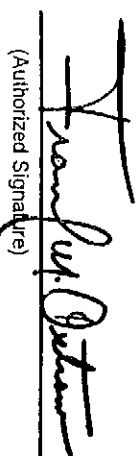


ENDORSEMENT # 2Date
AUG 12 03

Name and Address of Broker ROBERT C. MCVEY OCEAN MARINE INSURANCE AGENCY WARWICK RI 02886-0114		Name and Address of Insured Mary & Josephine Corp. 279 Western Avenue Gloucester MA 01930	
Name of Insurance Company North American Specialty Ins. Co.		Policy Number DMAM0000003-01	
Effective Date and Time of Change AUG 13 03		Policy Period (Effective) AUG 13 03	(Expiration) AUG 13 04
		New Premium (if changed)	

POLLUTION EXCLUSION ENDORSEMENT

In consideration of the premium charged, it is understood and agreed that any loss, damage, liability or expense caused by, resulting from, or incurred in consequence of the discharge, spillage, emission, or leakage of oil, petroleum products, chemicals or other substances of any kind or description whatsoever and including the destruction of vessels or property arising out of any action taken to avoid, minimize or remove such discharge, spillage, emission, or leakage which might otherwise be recoverable hereunder is hereby excluded from coverage under this policy.


 (Authorized Signature)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:

1. The act resulted in aggregate losses in excess of \$5 million; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.